GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:1116
ANSWERED ON:30.07.2001
FOREIGN DIRECT INVESTMENT IN TELECOM SECTOR
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Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the Foreign Direct investment (FDI) in Telecom Sector has gone up;

(b) if so, the details thereof;

(c) the number of FDI proposals approved and implemented by the Government during August 1991 to October 2000; and

(d) the extent to which this inflow of FDI have helped in developing the telecom sector and Telecommunications facilities in rural areas?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) & (b): Yes, Sir. The details of Foreign Direct Inflow (FDI) in telecom sector is given in Annexure. In the first four months of year 2001, the FDI inflow is Rs. 534.6 crores which is higher than the total FDI received in the year 1999 and 2000.

(c) 680 FDI proposals have been approved for the telecom sector during August 1991 to October 2000. The company who takes the FDI approval is responsible for its implementation The details of the FDI proposals implemented are not maintained centrally.

(d) Most of the private telecom companies providing Basic, Cellular, VSAT, Internet etc. services have implemented their projects in association with foreign partners who have brought in certain amount of FDI. These private telecom operators have set up their network for providing telecom services in various areas including villages and rural areas covered under geographical areas provided under respective licenses. As reported by Private Basic Telephone operators 547 Village Public Telephones (VPTs) have been provided by June 2001.

Annexure

Actual Inflow of FDI in Telecom Sector from August, 91 to April, 2001.

(Year Wise) (Rs. in Crores)

YEAR	FDI INFLOW
1993	2.1
1994	14.0
1995	206.7
1996	764.8
1997	1245.2
1998	1775.6
1999	212.7
2000	288.6
2001 (till April, 2001)	534.6
Total	5044.3